

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) (a) and (b) 13 Industrial units have been allotted land/built up space in Visakhapatnam Export Processing Zone (VEPZ). Units are approved and allotted land and built up space in Export Processing Zones keeping in view factors like level of exports, and value addition projected. The units which have been allotted space broadly fall under the product groups of computer systems and fax paper rolls, ready made garments, pharmaceutical products, plastic goods, automobile wheels, beer etc. Exports from the Zone have commenced only in 1994-95. The value of exports made from VEPZ during 1994-95 and 1995-96 were of the order of Rs 40 lakhs and Rs 89 lakhs respectively.

(c) No units has been declared sick before commencement of commercial production.

(d) Steps taken to increase exports from Export Processing Zones include broadening of the area of activity to include trading re-export after re-packing/labeling, repairs, re-conditioning and re-engineering, higher access to the domestic market, flexible value addition norms and simplification of custom procedures. In addition, the Zone administration are also making efforts to attract industrial projects into the Zone through suitable publicity measures, addressing Indian Missions abroad, conducting Seminars with entrepreneurs, Chambers of Commerce etc.

HMT Expansion

438 SHRI S.D.N.R. WADIYAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Hindustan Machine Tools propose to expand its units.

(b) whether it also proposes to revive the units which have fallen sick.

(c) whether there is a need for introducing of modern technology in the HMT Units, and

(d) if so, the steps taken by the Government in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d). HMT has taken steps to modernise its operations and improve the functioning of its weaker

units. The steps taken include locating joint venture partners for technology transfer, financial investments and modernisation etc.

Dues against State Electricity Boards

439 SHRI MANIKRAO HODLYA GAVIT : Will the Minister of COAL be pleased to state

(a) whether the Coal India Limited continues to face a financial crunch following failure of the State Electricity Boards to pay the coal bills.

(b) if so, the details of the dues outstanding against each SEB as on July 31, 1996, and

(c) the steps taken by the CIL to realise its dues outstanding against SEBs?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) (a) Yes, Sir.

(b) The details of dues outstanding against each State Electricity Board as on 31st July 1996 are given in the enclosed statement.

(c) Following steps have been taken by the Government/Coal India Limited to recover the outstanding dues from State Electricity Boards:

(i) Coal India Limited have been advised to supply coal to power utilities only against advance payment or Letter of Credit Cash and Carry Scheme has been implemented with greater rigour since 1st June, 1995.

(ii) Recovery of dues by way of adjustment against energy bills is also being done in respect of DVC, BSEB, UPSEB, MSEB and WBSEB.

(iii) State Governments have been requested to persuade/enable SEBs to clear their outstanding dues at the earliest.

(iv) Recovery from Plan Assistance to NCT, Delhi towards dues to CIL and the Railways outstanding against BTPS was made in 1995-96. This is being continued for 1996-97.

(v) Umpires have been appointed for resolving the disputed dues between coal companies and State Electricity Boards.

STATEMENT

Coal sale dues of CIL against SEBs/Power Utilities as on 31.7.96

(Rs. in crores)

Name of SEBs/	Disputed	Undisputed	Total
1	2	3	4
1. Bihar State Electricity Board	21.38	63.90	85.28
2. Uttar Pradesh State Electricity Board	86.23	245.33	331.56
3. Punjab State Electricity Board	130.64	39.96	170.60

	1	2	3	4
4.	Tamil Nadu Electricity Board	57.41	50.69	108.10
5.	Haryana State Electricity Board	81.84	33.01	114.85
6.	Rajasthan State Electricity Board	19.97	15.67	35.64
7.	Maharashtra State Electricity Board	378.97	101.40	480.37
8.	Madhya Pradesh Electricity Board	19.80	61.75	81.55
9.	Gujarat Electricity Board	23.80	124.95	148.75
10.	West Bengal State Electricity Board	15.73	70.42	86.15
11.	West Bengal Power Development Corpn.	13.34	65.44	78.78
12.	Andhra Pradesh Electricity Board	4.44	35.37	39.81
13.	Assam State Electricity Board	-	0.25	0.25
14.	Karnataka Power Corporation Ltd.	5.23	8.02	13.25
15.	Durgapur Project Ltd.	5.97	15.97	21.94
16.	Damodar Valley Corporation	67.20	76.92	144.12
17.	Delhi Electric Supply Undertaking	32.71	-3.91	28.80
18.	Badarpur Thermal Power Station	189.84	159.45	349.29
19.	National Thermal Power Corpn.	158.22	4.18	162.40
20.	Calcutta Electric Supply Corpn.	1.56	6.28	7.84
21.	Ahmedabad Electric Company	17.52	-0.71	16.81
22.	Bombay Suburbun Electric Supply	0.24	-0.35	-0.11
23.	Others	7.57	9.84	17.41
	Total	1339.61	1183.83	2523.44

MODVAT Scheme For Textile Industry

440. SHRI G. VENKATSWAMY : Will the Minister of FINANCE be pleased to state :

(a) whether MODVAT Scheme has been recently introduced for revival of textile industry; and

(b) if so, the salient features thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) Salient features of the Scheme are as under :-

The Modvat Scheme, which provides for credit of excise duty paid on inputs (raw materials, component parts and consumables) and capital goods, has been extended to processed textile fabrics of cotton and man made fibres with effect from the 4th September, 1996. To facilitate availment of credit, basic excise duty has been imposed on such processed fabrics. As per the scheme, manufacturers of processed fabrics can avail credit of the excise duty or the additional duty of customs paid on yarn, dyes, chemicals, packaging materials and capital goods and utilise the credit for payment of excise duty on the processed fabrics. While composite mills having spinning, weaving and processing facilities within the same factory can avail the Modvat credit of the actual duty paid, textile processing units which procure

unprocessed fabrics and processes the same, has been allowed Modvat credit on the inputs on "deemed" basis.

In the case of 100% cotton fabrics (processed) of value not exceeding Rs.30 per square meter, basic excise duty has been imposed at the rate of 5% ad valorem. In addition such fabrics shall be liable to pay additional excise duty in lieu of sales tax at the rate of 5% ad valorem. In respect of other cotton fabrics (processed) as well as processed fabrics of man made fibres, basic excise duty has been imposed at the rate of 12% ad valorem. Such fabrics shall also be liable to pay additional excise duty in lieu of sales tax at the rate of 8% ad valorem.

The amount of deemed credit has been fixed as follows :

In the case of 100% processed cotton fabrics, an amount equal to fifty per cent of the basic excise duty payable on such fabrics is allowed as "deemed" credit. In the case of processed fabrics of man made fibres, an amount equal to seventy per cent of the basic excise duty payable on such fabrics is allowed as "deemed" credit. This deemed credit is in lieu of the duty paid on yarn, dyes, chemicals, consumables and packaging materials. The deemed credit can be availed without production of any duty paying document. As regards capital goods, Modvat credit is allowed on actual basis.